

TAB

OGC Has Reviewed

206-1940

25 September 1956

MEMORANDUM FOR: General Counsel

SUBJECT : Headquarters Building - Commercial Concessions

1. The question has been presented whether arrangements could be made to permit a private concessioner to enter upon the Langley site and construct and operate a "concessions building" at his own expense.
2. The Agency currently lacks specific statutory authority for such action, and the use of the Director's special authority seems inappropriate.
3. Three possible solutions present themselves:

- a. Specific Statutory Authority: When the Secretary of Agriculture wanted to have a private concessioner construct and operate a concessions building at Mount Vernon, he secured the passage of legislation (Att. 1). Proposed language for a bill to accomplish the Agency's purpose is enclosed (Att. 2).
- b. Revocable Permits: In a number of instances, the Attorney General has upheld the right of executive departments and agencies to grant revocable permits to private parties for the use of Government property. Typically the desired use is similar to an easement, for the passage of a railroad line, a sewer, or a irrigation ditch, but the construction of buildings has sometimes been permitted. There appears to be a limitation of five years upon such permits and the fact that they may be revoked at will by the Government probably causes them to lack attractiveness for potential concessioners where a substantial investment is required. Copies of standard language (Att. 3) and instructions for preparation of revocable concession permits used by the National Park Service are enclosed (Att. 4).
- c. National Park Service Cooperation: The National Park Service has specific authority for doing on Park Service land what we would like to do at Langley (16 U.S.C.A. 3; Att. 5). Copies of their concessions policies (Att. 6) and standard language for concession contracts (Att. 7) are enclosed. Informal discussion with the Solicitor's Office of the Department of Interior indicates that the

Park Service might be willing to use its authority to secure concessions for us, either on the Parkway property now available to them or a site that might be transferred to them by us.

4. Any or all of these possibilities can be followed up in greater detail if you wish.

STAT

Assistant General Counsel

Att. 3, 4, 6, 7 w/orig only

OGC:RFB:bb

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Subject

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